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MARK SENDROW  
DIRECTOR

SECURITIES DIVISION  
1300 West Washington, Third Floor  
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E-MAIL: accsec@ccsd.cc.state.az.us

July 18, 2002

Terry D. Nelson, Esq.  
Foley & Lardner  
150 East Gilman Street  
Madison WI 53701-1497

RE: B.C. Ziegler and Company - Northridge Church No-action Request  
Securities Division Policy Statement, Distribution of identifying statements and  
preliminary prospectuses, September 17, 1986

Dear Mr. Nelson:

On the basis of the facts set forth in your letter of July 3, 2002, and in reliance upon your opinion as counsel, the Securities Division will not recommend enforcement action for violation of the Securities Act of Arizona should the transaction take place as set forth in your letter.

As this position is premised upon the facts set forth in your letter, it should not be relied on for any other set of facts or by any other person. Please also note that this position applies only to the registration requirements of the Act; the antifraud provisions of the Act continue to be applicable.

We have attached a photocopy of your letter containing the facts upon which this position is based.

Very truly yours,

MARK SENDROW  
Director of Securities

MS:sd  
Attachment

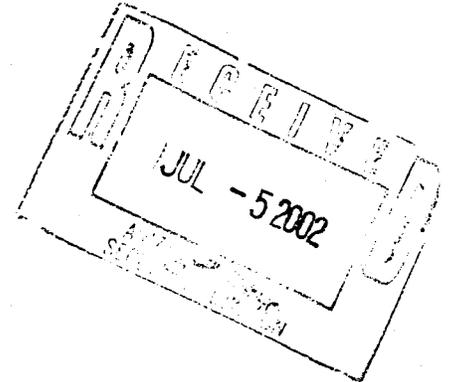
BRUSSELS  
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ORLANDO  
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SAN FRANCISCO  
TALLAHASSEE  
TAMPA  
WASHINGTON, D.C.  
WEST PALM BEACH

FOLEY LARDNER  
ATTORNEYS AT LAW

July 3, 2002

VIA FEDEX

Sharleen A. Day  
Associate General Counsel  
Corporation Commission  
Securities Division  
1300 W. Washington Street  
3rd Floor  
Phoenix, AZ 85007



Re: B.C. Ziegler and Company; No Action Request

Dear Ms. Day:

On behalf of B. C. Ziegler and Company ("Ziegler"), a broker-dealer registered under the Arizona Blue Sky law (the "Law"), please accept this letter and attachments as Ziegler's request for the issuance of a "no action" letter by the Arizona Securities Division (the "Division") pursuant to Section 44-1826 under the Law.

Ziegler has recently filed an application under the Law to register \$9,850,000 Northridge Church, Plymouth, Michigan First Mortgage Bonds, 2002 Series (the "Bonds"). A copy of the draft prospectus for the offering of the Bonds is attached to this letter for your reference. Ziegler will sell the Bonds to the public in Arizona (assuming registration is granted) on a "firm commitment" basis.

The Bonds are exempt from registration under the Securities Act of 1933, as amended (the "33 Act") pursuant to Section 3(a)(4) thereunder (securities issued by a not-for-profit issuer).

The Law does not presently allow "offers" to be conducted before securities registration or exemption status is obtained. Further, the Division's Policy Statement dated September 17, 1986 (the "Policy Statement") appears to allow the distribution of preliminary offering materials only for offerings that will be registered with the SEC under the 33 Act.

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Ziegler has also filed registration applications and exemption notices for the Bonds under the securities laws in several other states. Many of those states, including Iowa, Kentucky, Michigan, Minnesota, Ohio, Oregon and Wisconsin include provisions under their state securities laws that provide for offers of the Bonds once the registration statement or exemption notice has been filed (and prior to registration effectiveness or the exemption filing has been deemed complete).

Ziegler believes it is both necessary and appropriate to conduct offers of the Bonds in Arizona while its registration application is pending under the Law in order to gauge investor interest. Ziegler's experience in filing registration applications with the Division is that it can often take 30-40 days before registration is obtained. In the absence of being able to make offers in Arizona while the Division reviews the application, it is likely that the offering will be sold out from sales in the other jurisdictions before the Division grants registration for the offering.

In addition, Ziegler believes that the allowance of offers in Arizona prior to the effectiveness of the registration statement under the Law is neither detrimental to the public interest nor is the prohibition of such offers necessary for the protection of investors in Arizona.

According, Ziegler respectfully requests that the Division issue a no action letter in the event that Ziegler takes the following actions in connection with the offering of the Bonds in Arizona prior to its pending registration statement being declared effective by the Division:

1. The publication or distribution to the public in Arizona of identifying statements pursuant to Rule 134 and preliminary prospectuses pursuant to Rules 430 and 431 of the SEC under the 33 Act;
2. The following legend shall appear on each preliminary prospectus:

A registration statement relating to these securities has been filed with the Arizona Corporation Commission, Securities Division, but it has not become effective. Information contained herein is subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This prospectus shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

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In addition, we understand that the Division has or will take action to amend the Policy Statement to allow the distribution of identifying statements and preliminary prospectuses for public offerings exempt from registration under the 33 Act. We appreciate the Division's efforts to level the playing field for all offerings that apply for registration under the Law.

In connection with this request, please find attached a check in the amount of \$200 representing the filing fee and a copy of a certificate executed by Mr. Scott Rolfs on behalf of Ziegler as required under Section 44-1826 under the Law. The originally signed certificate will be forwarded under separate cover.

If you have any questions or comments concerning this request, please do not hesitate to contact me at the above referenced number.

Thank you for your prompt consideration of this request.

Very truly yours,



Terry D. Nelson

TDN/nk

Attachments

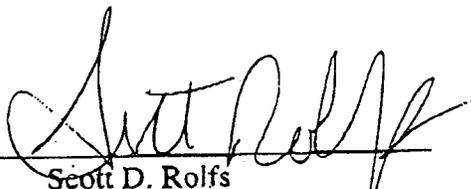
cc: Sheryl T. Farson, General Counsel  
Scott D. Rolfs  
Amy Braemer

**CERTIFICATE**

In conjunction with a "no-action" request submitted to the Arizona Securities Division by our counsel Foley & Lardner, pursuant to Section 44-1826 under the Arizona Blue Sky law with respect to the public offering of \$9,850,000 First Mortgage Bonds, 2002 Series of the Northridge, Church, Plymouth, Michigan, please find the following statements:

1. Within the knowledge of B.C. Ziegler and Company ("Ziegler") the transactions described in the no-action request is not directly or indirectly the subject of any pending or final judicial, SRO or administrative proceeding;
2. The transactions described in the no-action letter have not been commenced in Arizona; and
3. Ziegler understands that the no-action letter request, together with any documents or information submitted and any response from the Division, is public information that may be released for publication, except as otherwise provided by law.

On behalf of B.C. Ziegler and Company, this certificate is submitted on this 3<sup>rd</sup> day of July 2002.

By: 

Scott D. Rolfs

Managing Director - Church and School Financing Division  
Ziegler Capital Markets Group, B.C. Ziegler and Company